

South Dakota State University

## Open PRAIRIE: Open Public Research Access Institutional Repository and Information Exchange

---

Extension Extra

SDSU Extension

---

9-1-2010

# The South Dakota Agricultural Land Rental Market

Burton Pflueger

*South Dakota State University*

Follow this and additional works at: [http://openprairie.sdstate.edu/extension\\_extra](http://openprairie.sdstate.edu/extension_extra)

---

### Recommended Citation

Pflueger, Burton, "The South Dakota Agricultural Land Rental Market" (2010). *Extension Extra* . Paper 185.  
[http://openprairie.sdstate.edu/extension\\_extra/185](http://openprairie.sdstate.edu/extension_extra/185)

This Other is brought to you for free and open access by the SDSU Extension at Open PRAIRIE: Open Public Research Access Institutional Repository and Information Exchange. It has been accepted for inclusion in Extension Extra by an authorized administrator of Open PRAIRIE: Open Public Research Access Institutional Repository and Information Exchange. For more information, please contact [michael.biondo@sdstate.edu](mailto:michael.biondo@sdstate.edu).



## The South Dakota Agricultural Land Rental Market

*Burton Pflueger, Extension farm financial management specialist*

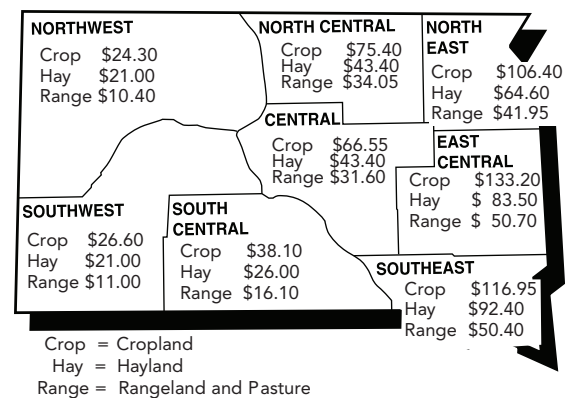
The “2010 SDSU Farm Real Estate Market Survey” report, South Dakota Cooperative Extension Service publication C276, contains information on current agricultural land values and cash rental rates by land use in different regions of South Dakota, with comparisons to values from earlier years. This Extension Extra highlights only rental information. For more complete information on South Dakota Agricultural Land Market Trends from 1991–2010, readers are encouraged to examine the electronic version of the complete research report, which is available at [http://pubstorage.sdstate.edu/AgBio\\_Publications/articles/C276.pdf](http://pubstorage.sdstate.edu/AgBio_Publications/articles/C276.pdf).

### CASH RENTAL RATES

Respondents to the 2010 survey were asked about average cash rental rates per acre for non-irrigated cropland, irrigated land, and hayland in their locality. Cash rental rates for pasture/rangeland were provided on a per-acre basis and, if possible, on an animal unit month (AUM) basis. Cash rental rates by land use by region are summarized in figure 1 and table 1.

Cash rental rates differ greatly by region and by land use. For non-irrigated land uses, cash rental rates per acre are highest in the southeast and east-central regions and lowest in northwest and southwest South Dakota. In every region, cash rental rates are highest for cropland and lowest for rangeland and pasture.

From 2009 to 2010, statewide average cash rental rates increased \$2.75 per acre for cropland and \$1.35 per acre for hayland, but decreased an average of \$1.20 per acre for pasture and rangeland. The statewide average percentage change in cash rental rates was +3.2% for cropland, +2.7% for hay land, and -6.0% for pasture and rangeland. This change in annual cash rental rates was much lower compared to the changes reported in the previous two survey periods of 2007–2008 and 2008–2009.



Source: 2010 South Dakota Farm Real Estate Market Survey, SDSU.

**Figure 1. Average cash rental rate of South Dakota non-irrigated cropland, hayland, and rangeland, by region, 2010, dollars per acre.**

**Table 1. Reported cash rental rates of South Dakota agricultural land by type of land by region, 2006-2010**

Type of Land	South-east	East Central	North-east	North-Central	Central	South-Central	South-west	North-west	State
dollars per acre									
<b>Nonirrigated Cropland</b>									
Average 2010 rate	116.95	133.20	106.40	75.40	66.55	38.10	26.60	24.30	86.65
High Productivity	167.40	182.80	161.40	110.35	102.80	58.35	35.60	30.30	
Low Productivity	80.45	88.85	69.90	49.80	42.50	23.60	19.10	19.30	
Average 2009 rate	114.50	128.85	97.00	72.50	66.50	42.60	27.50	24.25	83.90
Average 2008 rate	101.90	109.00	87.80	65.70	62.10	37.05	24.50	24.20	74.70
Average 2007 rate	92.30	91.65	77.85	56.75	48.95	32.65	23.35	21.80	64.80
Average 2006 rate	89.25	82.60	70.50	53.85	46.35	34.00	24.70	21.45	60.95
<b>Hayland</b>									
Average 2010 rate	92.40	83.50	64.60	43.40	43.30	26.00	21.00	18.60	51.50
High Productivity	126.90	107.20	91.00	59.60	63.00	34.70	27.80	23.70	
Low Productivity	63.30	57.40	43.90	28.40	28.00	17.10	14.00	14.35	
Average 2009 rate	87.50	88.70	58.50	40.60	39.80	27.50	21.00	18.70	50.15
Average 2008 rate	81.70	80.90	50.80	42.60	38.40	28.00	17.75	20.00	47.40
Average 2007 rate	74.00	67.55	45.10	34.25	31.35	25.70	18.80	18.40	41.35
Average 2006 rate	72.90	60.50	40.20	30.20	34.60	27.30	19.55	18.15	39.80
<b>Pasture/Rangeland</b>									
Average 2010 rate	50.40	50.70	41.95	34.05	31.60	16.10	11.00	10.45	18.60
High Productivity	68.00	67.95	54.30	45.35	44.30	24.75	14.25	13.70	
Low Productivity	33.20	35.65	29.00	24.85	21.05	10.60	8.21	6.95	
Average 2009 rate	46.60	49.60	39.60	33.40	33.20	21.40	13.30	10.40	19.80
Average 2008 rate	45.60	47.15	38.30	31.30	32.25	17.90	10.75	11.00	18.50
Average 2007 rate	44.00	42.80	34.95	28.50	26.85	16.90	11.60	9.95	17.10
Average 2006 rate	42.10	40.00	31.35	25.90	26.30	19.60	10.70	9.25	16.50
dollars per Animal Unit Month									
Average 2010 rate	29.70	***	***	***	28.00	26.25	27.40	23.20	
High Productivity	37.70	***	***	***	36.00	35.50	32.50	27.10	
Low Productivity	22.20	***	***	***	21.90	18.60	20.60	17.75	
Average 2009 rate	26.45	29.40	***	26.40	28.90	27.70	26.65	21.05	
Average 2008 rate	29.80	***	***	27.70	27.80	26.90	25.20	21.00	
Average 2007 rate	22.70	***	26.50	27.00	25.35	23.80	24.30	21.95	
Average 2006 rate	25.15	26.00	25.25	23.10	24.45	24.45	24.15	20.85	

Type of Land	South-east	East-Central	North-east	North-Central	Central	Western	State
dollars per acre							
<b>Irrigated land</b>							
Average 2010 rate	171.20	141.90	127.10	121.90	131.70	90.70	125.70
High Productivity	216.40	177.30	163.30	146.90	167.00	104.30	
Low Productivity	135.25	114.60	96.70	100.60	97.90	70.70	
Average 2009 rate	178.15	158.50	143.10	108.65	120.15	67.50	118.5
Average 2008 rate	154.75	139.80	134.00	87.85	113.00	62.50	106.05
Average 2007 rate	131.65	113.80	98.70	89.65	89.60	65.30	93.50
Average 2006 rate	121.20	109.50	96.25	84.75	84.40	60.00	87.25

\*\*\* Insufficient number of reports to make regional estimates

Source: South Dakota Farm Real Estate Market Surveys, SDSU, 2010 and earlier year reports.

Statewide average rental rates are based on 2002 regional land-use weights



**South Dakota**  
Cooperative Extension Service

South Dakota State University, South Dakota counties, and U.S. Department of Agriculture cooperating. South Dakota State University is an Affirmative Action/Equal Opportunity Employer and offers all benefits, services, education, and employment opportunities without regard for race, color, creed, religion, national origin, ancestry, citizenship, age, gender, sexual orientation, disability, or Vietnam Era veteran status.

**EXEX5060 Access at [http://pubstorage.sdstate.edu/AgBio\\_Publications/articles/ExEx5060.pdf](http://pubstorage.sdstate.edu/AgBio_Publications/articles/ExEx5060.pdf)**